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21 APR 1971

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Administrative Authorities

**REFERENCE : (a) Memo dtd 30 April 68 for Ex. Dir. -Compt.
fr DD/S, Same Subject**

**(b) Memo dtd 21 May 68 for Ex. Dir. -Compt.
fr DD/S, Same Subject**

**(c) Memo dtd 23 June 70 for DD/S fr General Counsel,
Subj: Administrative Adoption of Statutory Benefits**

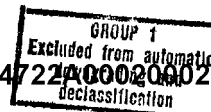
1. This memorandum contains a recommendation for your approval; such recommendation is contained in paragraph 6.

2. Reference (a) recommended the adoption of the administrative authority of the Foreign Service Act, as amended, to permit the payment of travel and transportation expenses for employees retiring under the Central Intelligence Agency Retirement and Disability System (CIARDS) to a place designated in the United States, its territories or possessions. This recommendation, which you approved on 30 April 1968, followed an extensive review made of existing Agency authorities in the fields of travel expenses, allowances and other fringe benefits provided to Agency employees to insure that these are as favorable as those provided by existing laws enacted for other government employees in similar circumstances. On 23 May 1968 you approved the recommendation in reference (b) to adopt another administrative authority of the Foreign Service Act to permit reimbursement of travel and transportation expenses of the dependents of a deceased CIARDS participant to a designated place of residence regardless of the participant's PCS point, U. S. or abroad. We believe it is now appropriate to reconsider the basis for limiting these death and retiree travel benefits to participants in CIARDS.

3. Key to our reconsideration of present authority is the Agency's retirement policy which applies equally to employees in CIARDS or the Civil Service Retirement System (CSRS). As early as 1959 the retirement policy was that employees would be expected to retire at age 60 with 30 years of service, or at age 62 with at least five years of service under the then existing optional retirement provisions of the CSRS. On 3 May 1968, after an in-depth review by the Agency's senior echelon, the Director of Central Intelligence decreed that it would continue to be Agency policy that employees under the CSRS be required to retire at age 60 or as soon

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thereafter as they are eligible for optional retirement under the law. Paragraph 12 of the rationale for the age 60 retirement policy (attached to the memorandum approved by the Director on 3 May 1968) is pertinent to this memorandum.

"12. In summary, the age 60 retirement policy is a key element of the Agency's efforts to attain excellence in its staffing. Without the policy the entire personnel program of the Agency would be impaired. The most vigorous and productive individuals, finding themselves stymied, will leave the service or will never be persuaded to enter in the first place. By shortening the career span of all employees, service in intelligence will continue to be highly attractive to outstanding young men and women. In the end, our national intelligence objectives will be best served."

4. The Agency's early retirement policy for employees under either CIARDS or CSRS is ample evidence that the conditions of employment for our personnel are such as to set them apart from other Federal employees. Having established a requirement for retirement at age 60 under both systems, based on the premise that such action was deemed necessary for the proper administration of all employees, it would appear logical and equitable that similar retiree and death travel benefits should flow from this policy. It would also appear logical and equitable to provide these benefits only to those employees under CSRS who in fact retire at age 60 or as soon thereafter as they are eligible for optional retirement, unless the employee's retirement is extended by the Agency but in no event should the benefit be available after age 62.

5. In reference (c) the General Counsel noted that the discussion of the merits of extending retiree and death travel benefits to participants in CIARDS and not to employees covered by the CSRS placed great weight on the fact that CIARDS participants had met measurable standards which distinguished them from normal CSRS participants. He went on to say that this may not be a valid distinction inasmuch as such benefits had previously been granted to participants under both systems who were stationed abroad and, therefore, there is an apparent inequity for employees who are stationed PCS in the United States. The General Counsel concluded that he would offer no legal objection to an extension of death and retiree travel benefits to employees covered by CSRS if such action is deemed necessary for the proper administration of employees of the Agency.

6. In line with the above, and pursuant to the authority delegated to you by the Director of Central Intelligence on 5 October 1967, it is recommended that effective with the date of your approval you determine it to be necessary for the

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proper administration of all employees of the Agency to adopt the administrative authority of the Foreign Service Act, as amended, to provide to participants in the CSRS the same death and retirement travel benefits now approved for CIARDS participants, provided the employee:

(a) is a staff employee, a staff agent, a career agent, or a contract employee converted from staff status without a break in service;

(b) retires on or before his scheduled retirement date as determined by [REDACTED]

(c) retires on or before his 62nd birthday when his extension beyond a date of his eligibility for optional retirement was approved by the Director.

(Signed) John W. Coffey
John W. Coffey
Deputy Director
for Support

CONCUR:

LAWRENCE R. HOUSTON
General Counsel

22 APRIL 1971
Date

The recommendation contained in paragraph 6 is approved.

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[REDACTED] (12 VBB JAM)
Executive Director - Comptroller

26 APR 1971
Date

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Director of Personnel

Original to [REDACTED]

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Director of Personnel

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